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New York Regional Press Office

Release Date: June 5 2003

Contact: Diana Parra (973) 645-3582

Release Number: 03-26

Internet Address: <http://www.sba.gov/news/indexheadline.html>

SBA Pumps More than Half Billion into Regional Economy; Over 3,200 Jobs Saved/Created in Six Months

NEW YORK – The U.S. Small Business Administration made 3,171 small business loans valued at \$525.7 million in the New York/New Jersey region during the first six months of the fiscal year ended March 30, 2003, it was announced today by Michael Pappas, regional administrator of the U.S. Small Business Administration.

“Perhaps more important than the loans themselves is the fact that 1,682 jobs have been created and an additional 1,589 jobs have been retained as a direct result of these SBA loans,” Pappas said. “While large businesses continue to downsize, small businesses are once again leading the nation in job growth and economic recovery.”

According to Pappas, the SBA identified a gap in the market over the past two and one half years, both in terms of the economy and demographics of 21st century America and in terms of what small business owners need. To address these gaps, Administrator Barreto has challenged SBA offices nationwide to increase outreach to Emerging Markets customers, including women, veterans and minorities.

Under the Bush administration, the SBA set new records in total lending numbers and dollars in Region II last fiscal year when 6,448 loans for \$1.3 billion were made to small businesses. New loan records were set in both numbers and dollars to Asian and Native Americans and loan dollars to Hispanics. Nationally, the SBA set an all-time lending record for total loan dollars in fiscal year 2002 – an unprecedented \$14.7 billion. The Agency made 57,146 small business loans last year. Additionally, new records were set nationally in total loan dollars and number of loans to minorities, Hispanics, Asians and Native Americans and in total loan dollars to women.

Additionally, 76,114 prospective and/or established small business owners received counseling and training from SBA and its resource partners during the first six months of the fiscal year throughout the region. “Many small businesses that have received SBA financing and are now creating jobs and contributing to the economy initially received technical assistance first from the SBA,” Pappas said. “The SBA offers a complete package from business inception through expansion, he added.

Through the 8(a) business development program, the SBA also provides government contracting assistance to small businesses whose owners are socially and economically disadvantaged. Through March 31st, the SBA provided 208 contracts and modifications totaling \$35.8 million to certified 8(a) firms throughout the region.

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